

**MINUTES OF THE
BOARD OF BUSINESS AND ECONOMIC DEVELOPMENT
November 18, 2004 Meeting**

Members Present:	Mark Howell, Karen Alvey, Richard Nelson, Bill Boyle, Ted Smith, Joel Bradford, Ed Ekstrom, Jerry Oldroyd, Barbara Zimonja, DelLoy Hansen, Debra Tanzi, David Simmons, Cliff White
Members Absent:	Jane Shock, Kenneth Woolley
Visitors:	Brice Wallace, Deseret Morning News, Jerrold Jensen, Attorney General Office, Brian Farr, Jack Sunderledge; Michael Flynn, EDCU; Trish Horton, Investools Inc.; Steve Oberbeck, SL Tribune
Staff:	Marian Hein, Tamee Roberts, Richard Bradford, David Harmer, Jeff Gochmour, Tina Lewis, Mark Renda, Kelly Day, Connie Gates, Ron Richins, Dave Douglass, Dave Harmer, Stan Nance, Jeremy Neilson

Welcome

Chairman David Simmons welcomed the DBED Board, staff, and guests and called for a motion to approve October 14, 2004 minutes.

MOTION: Ed Ekstrom moved and Karen Alvey seconded the motion to approve the minutes. Motion carried.

Utah World Trade Center Presentation

Brian Farr and Jack Sunderledge were introduced and presented initiatives of Governor Walker's such as Utah's need to be more globally engaged. As best practices were being examined it was found that a number of states have global strategy councils where members in the state get together to dialogue and try to determine what kinds of things the state can be doing to be better positioned for global opportunities. In some areas those councils tend to be regional councils. A list of participants on the global engagement opportunities council was circulated. One of the initiatives that the council was charged with was to look at the idea of an International Trade Center. A lot of that concept originated with discussions from DBED staff about the advisability of trying to upgrade the International Business Office. The intent would be to get the agencies from federal, state, local governments, and private entities that are involved in business development together in one center.

Jack Sunderledge provided background on world trade centers. Mentioned was a trip taken to Geneva Switzerland with Tina Lewis and an outside consultant to meet with the World Trade Center Associations National Conference. They had a real opportunity to engage with a number of these trade centers primarily in the US. It became apparent that there are some of these that are doing extremely well. Denver has an active trade center; San Diego is going to China to put up a pavilion at their high technology exposition. They have approximately 35 trade missions in and out of Asia. There are examples of Charleston S. Carolina, New Orleans, Miami, and some of the large cities that are doing very well with this. There is a great opportunity here, as we have unique assets in the state that will enable Utah to be a global player. It is a lot about networking, and reciprocity. The RFI for developing a world trade center in Salt Lake City was distributed. There is opportunity to bring together, the Salt Lake Chamber, State Dept. of Economic Development, State Dept. of Commerce, and a number of other entities that would have occasion to do International business.

Committee Reports

Incentives Committee

Barbara Zimonja motioned to close the IAF contract for Bucyrus Blades through approval of earned credits claimed and acceptance of cash payments for principal and interest satisfying the IAF contract provision evidenced by the auditors.

MOTION: To close the IAF contract for Bucyrus Blades.

Barbara Zimonja moved and Ed Ekstrom seconded the motion as stated above; motion carried.

Business Development Committee

Debra Tanzi reported there was no meeting today, although there was a telephone meeting to discuss the outcome of their spring retreat. The committee is in the process of synopsisizing the findings of that meeting. A meeting will then be held with the committee members to see if any of the results they came up with make sense to go forward with recommendations.

Legislative Initiatives

Mark Renda distributed a document of the Proposed Economic Development and Tax Legislation for the 2005 Legislative General Session, and also copies of bills that have passed through committee. Mark explained the document and highlighted what impacts the board directly. Highlights are Aerospace and Aviation Development Zones Modifications; Economic Development Incentives; Motion Picture Incentive Fund; Use of State Sales and Use Tax Revenues for Economic Development. If each of these bills passes, we'll have a broad range of incentive tools and increase workload for staff and the board. There may be the need to look at additional committees to accommodate that workload.

Division Reports

Jeff Gochnour gave the update on DBED program activities:

National

- Last week at the San Antonio CoreNet Conference, our booth was the hit of the show. Marian Hein and her team came up with an idea to have small bobble head dolls. There was a photographer who took pictures of people and then put the face on the bobble head. There were lines of people who were interested in the dolls, so that gave a lot of publicity to the booth. There were 500 dolls given away. We also entertained corporate real estate executives that evening at a ranch for dinner and square dancing, calf roping, armadillo races, etc. Idaho and Wyoming partnered to share the cost.
- We are working on the Business Utah 2005 publication in conjunction with Utah Business Magazine. As part of that effort we will produce a Utah Facts Book.
- There are six new active clients looking at the State for different projects. There have been four site visits.
- We participated in a meeting with the Economic Development Corporation of Utah and Technology Offices to look at ways to understand what technology is being created at our Universities and how we might target companies nationally that might have an interest in what is going on, and might have applications for this technology in their businesses.

Technology and Science

- This last week we were the host of the National Association of Seed and Venture Fund Conference at the Grand America attended by 300 people. It was particularly beneficial to see the number of participants from Utah that contributed in panel discussions and presentations. The remarks that we got in terms of the facility at the Grand American were incredible. Rod Linton and staff who were involved in putting it together were complimented.
- Rod and Mike attended the State Science and Technology Institute Conference in Philadelphia, which is another valuable conference to look at technology initiatives.

State Science Advisor

- Mike Keene continues to work on trying to convene the Association of Space Explorers annual conference. The formal announcement will be made early next month.
- Work supporting the Leonardo Science Center at Library Square is continuing. It looks like all funding is in place now to activate the bonds. The Chamber of Commerce recently came out with the projects that are in various stages of fund raising and one of the issues that they wanted to make sure is addressed is the Leonardo, Clark Planetarium, and the Children's Museum. Mike is facilitating the cooperation of these entities.
- Last month in Boise, Mike attended the Small Business Innovation Research Grant conference. The Utah Technology Industry Council is going to be pushing in the next legislative session, a way for us to provide support in helping our companies get more SBIR grants. Our pro-rata share of those grants being generated has slipped lately.

International

- Jeff reported on the Trade Mission to Tai-Pei, Hong-Kong last month. There were 11 companies that participated. It was interesting at the last dinner to sit down with these companies and try to assess their feeling of the value of these trade missions. We got incredible feedback about the way that the trade missions have been conducted. Arranging meetings for them that they would not be able to get on their own, educational type seminars that they would not be able to get on their own on how to do business in those countries were valuable to them. We are doing surveys of every participant in these trade missions. We will use data gleaned from the surveys both in terms of contracts signed, new business generated, and continue to do these surveys on an annual basis to determine over time, the benefit of these trade missions.
- Rod Linton, Mike Keene and 12 other institutions participated in the Saarbrücken, Germany, and Brussels Belgium trade mission, focusing on incubators and how to spur technology transfer.
- The Chinese Minister of Science and Technology was here and met with Governor Walker and Governor Elect Huntsman and visited a number of high tech businesses. They signed a cooperative agreement between China and Utah Trade. Tomorrow night there will be a group of 32 Chinese Citizens who work for the Beijing Organizing Committee for the Olympic Game's, coming through Utah and spending a week here. They are looking at how we put our games together.
- Tina Lewis was in Geneva Switzerland about a month ago working on the World Trade Center efforts.

Film

- Due to Leigh's tireless efforts, the Board is now using film legislation that was passed out of committee, as a model to go forward with.
- The Worlds Fastest Indian, one of the films that we provided an incentive for is finishing shooting. They had a great shoot in Utah around the Wasatch Front and Salt Flats. They were very pleased with how things went.

Bear

- Staff is working on the 2005 edition of the Utah Small Business Resource Guide, which is the annual guide that is published every year.

Rural

- The Rural Partnership Board headed by Ed Meyer, has come up with an agenda of economic development initiatives that they will be presenting to the legislative committee on November 23, 2004. These rural elements include rural entrepreneurship, agribusiness, rural economic clusters, micro lending, natural resource planning and rural health care insurance being at the top of the list. This list was formed by a survey that was taken of rural Utah business's government leaders and others on what the hot topics were that they wanted to have addressed.
- The office of Rural Development will be announcing a new website next week. The address is Rural.Utah.Gov and will discuss a lot of office activities and their mission.
- In January, a Utah Smart Site Trade show will be hosted by our division and will give the opportunity for other Utah companies to see what is happening with our Smart Sites.
- In the past month there have been two Smart Sites opened. One in Mt. Pleasant and one in Ephraim.

Jeff also reported that today the Deseret News published an article about the Beacon Hill Institute which is sponsored by Suffolk University in Massachusetts came out with their annual state competitiveness report. Utah was ranked number two behind Massachusetts in terms of competitiveness. To achieve this, a state or metropolitan area needs to be able to both attract and incubate the business and provide an environment that is conducive to the growth of existing firms. There are a number of measures that go into this including technology, labor supply, security, infrastructure, business incubation, open environmental policy, etc. A copy of the article will be distributed to the Board member.

December 16, 2004 Agenda:

Approval of November 18, 2004 minutes

Committee Reports

Division Report

With no further business to take care of, Chairman Simmons adjourned the meeting.